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OCI No. 1089/63

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
15 March 1963

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CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: The Situation in South Korea

1. South Korea faces a critical situation as the struggle continues for control of the existing regime and for domination of the "civilian" government which, it has been promised, is to supersede it this year. This continuing conflict of factional interests, indeed, raises doubts that the transfer to civilian rule will actually be made. If, as is possible, the military forces become actively involved in the struggle, with various elements supporting various contending groups, the country's military capability will be seriously reduced, and a violent upheaval could occur.

2. The struggle centers on former security chief Kim Chong-pil and his plans for perpetuating his influence and that of junta leader Pak Chong-hui in the successor civilian government. As a means of achieving this end, Kim created a pro-government party. Leaders of a major faction in the junta, sensing that Kim planned to freeze them out, precipitated a crisis in late January in an effort to eliminate Kim and take over the party. Although Kim emerged with his position intact, his opponents carried on the fight by threatening to expose his involvement in major corruption while he was security chief.

3. Another crisis came late in February when Pak, reportedly on the advice of his military chiefs, announced that he was going to withdraw from politics and would not be a candidate for president. Kim Chong-pil, at the same time, began a round-the-world trip as a "roving ambassador." On the surface these moves appeared to open the way for a relatively stable transition to representative government, although public disturbances remained a strong possibility.

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4. Supporters of Kim in the government party, realizing that Pak's decision not to run for president eliminated their prospects for winning an election, have increasingly pressed him to reconsider. At the same time, senior military leaders opposed to Kim demanded that Pak consent to what would have amounted to a transfer of power to them. Civilian politicians, who have only recently been allowed to engage in political activity again, have meanwhile failed to organize an effective opposition party even though one of their leaders, Ho Chong, enjoys considerable prestige for his honesty and ability.

5. Despite the apparent reverses suffered by Kim, Pak still possessed alternatives for retaining power. Among these were the possibility he might be drafted as candidate by the pro-government party, or that political chaos might enable him to suspend the elections and continue military rule. A longer-range possibility was that he might return to active military duty as a five-star general and, from that vantage point, lead another coup. Some reports suggested that Pak and Kim never intended to relinquish power and that Pak's announced withdrawal from politics and Kim's tour were tactical moves. According to these reports, Pak intended to eliminate opponents of the regime at an opportune time, after which Kim would return in triumph to Seoul.

6. Pak has used a coup plot, exposed on 8 March, to arrest prominent general officers and lesser military figures who had opposed him, and this action lends credibility to reports that he intends to renege on his promise to transfer the government to civilian control. Alleging that there is further widespread plotting, Pak is considering the reimposition of emergency martial law and the suspension of all political activity.

7. Pak's ability to carry this out will depend on continuing support from the army, especially as such a move probably would further reduce the already narrow public support for the regime. Extensive purges in the military, which might be necessary, could, however, upset the factional balance and create disunity. Military faction leaders could be expected to organize support for themselves within the armed forces, and probably would seek civilian

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allies as well to gain ascendancy. Thus, perpetuation of the present narrowly-based regime would, over the longer term, increase the threat of a popular upheaval.

8. Kim Chong-pil's prospects for the near future depend primarily on Pak's success in manipulating the present struggle. Kim is married to Pak's niece, and Kim and Pak worked closely in carrying out the May 1961 coup of which Kim was reported to be the chief planner. Kim is intelligent, and has drive and organizational ability. He can be charming when with Americans but is otherwise [] strongly nationalistic.

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9. Kim can provide to a government in South Korea the imagination and drive that previous regimes have lacked. His thirst for power and ruthless pursuit of objectives have, however, undermined public support for the present regime and have generated the opposition of powerful military elements. Although relatively young--he is 37--Kim has the wherewithal and the ambition to be a major figure in Korean civilian politics.

10. A definitive prognosis of Kim's future cannot be made at this time. If Pak's military opponents are discredited and he is drafted as a presidential candidate, Kim could return to manage the campaign, pose as a champion of civilian government, and secure a powerful position for himself. On the other hand, there is enough indication of Kim's involvement in large-scale graft to enable his opponents to prosecute him if they gain the upper hand.

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